Communications Consumer Panel and ACOD response to DCMS' Digital Communications Infrastructure Strategy: Terms of Reference

Introduction

The Communications Consumer Panel welcomes the opportunity to comment on DCMS' Digital Communications Infrastructure Strategy: Terms of Reference.

The Panel works to protect and promote people's interests in the communications sector. We are an independent body, established by the Communications Act 2003. The Panel carries out research, provides advice and encourages Ofcom, Government, the EU, industry and others to look at issues through the eyes of consumers, citizens and micro businesses. The Panel pays particular attention to the needs of older people and people with disabilities, the needs of people in rural areas and people on low incomes, and the needs of micro businesses, which face many of the same problems as individual consumers. There are four members of the Panel who represent the interests of consumers in England, Northern Ireland, Scotland and Wales respectively.

Following the alignment of the Advisory Committee for Older and Disabled People with the Panel, the Panel is more alert than ever to the interests of older and disabled consumers and citizens.

Background

The document "Connectivity, Content and Consumers" (DCMS July 2013) announced that the Government would develop a Digital Communications Infrastructure Strategy to continue to drive innovation, productivity and economic growth in the UK. The overall aim of the Strategy is to establish the right framework for the UK's future digital communications infrastructure based on a high level understanding of potential data volumes, market developments across the communications sector and future demand for technology and services from consumers, business and the public sector.

The Strategy will be built around a number of likely scenarios for the future of the UK's digital communications, based on potential user demand (users being consumers, business and Government itself). The Strategy will look at those user needs for the period 2015 – 2025/30 and identify the broad policy and regulatory steps Government will need to take, in partnership with industry.

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Response

This document responds to the draft terms of reference for the Strategy.

In the Panel's view, sub-optimal delivery of communications services as a result of inadequate infrastructure – be it a lack of fast broadband or the absence of mobile voice and/or data coverage - has long since ceased to be a matter of simple irritation for consumers and micro-businesses, and is now an issue of real detriment. The Panel has welcomed the 4G coverage obligation of 98% indoor coverage UK wide, and 95% in each Nation by the end of 2017, and the mobile infrastructure project as tools to increase rural broadband and mobile voice/data coverage. We have encouraged close monitoring of their rollout. However there is still some way to go. Consumers and citizens in the widest sense should not be left behind, left out or left wanting.

We are reassured to see that the Strategy intends to adopt a technology neutral approach – it is vital that the potential roles of fixed, fixed-wireless, mobile and satellite communications are all taken into account.

We welcome the reference to the Strategy complementing other Government strategies already announced and would urge that every possible effort is made to ensure that key individuals working on those strategies are closely involved in the development of the Digital Communications Infrastructure Strategy.

The draft terms of reference rightly refer to consumer needs. In scoping these needs, we would strongly urge consideration of external forces, including the needs of our ageing population – and the implications of that demographic change for communications needs across society, the public and private sectors.

In paragraph 2.7, we note a reference to a high level assessment of the UK's current provision of digital communications infrastructure assets. We would suggest that, given the need for robust modelling, this be a detailed assessment of current provision and the supply market. In the Panel's experience, market failure can be predictable. Ofcom's *The availability of communications services in the UK*[1] report echoed this observation, noting 'Areas that have not previously benefited from commercial rollout are more likely to experience market shortfalls in the future. Consequently, public bodies that have intervened to extend availability in the past may expect to face the same pressures to do so again in the future. If this can be successfully anticipated, it may be possible to plan interventions at a sufficiently early stage that those areas do not always have to play catch-up with the rest of the UK.'

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[1] http://stakeholders.ofcom.org.uk/market-data-research/market-data/economic-geography/

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Paragraph 2.7 b) refers to taking into account the needs of small businesses – we would advise that the Strategy should also consider the needs of micro-businesses. The Panel is currently undertaking qualitative research across the UK to explore:

- which communications technologies and services micro-businesses use and to what extent; and their importance to the business

- the experiences of micro-business of the communications sectors and services – including fixed line, mobile phones, fixed broadband (including superfast) and mobile broadband.

- the barriers/challenges and the opportunities

- what – if anything – should/could be done to improve communications experiences to contribute to greater growth?

We intend to publish the research in early Summer and will, of course, be delighted to share and discuss our findings with you in due course.

Paragraph 3.2 notes that the Strategy should cover the future provision of broadband at a minimum. We would strongly suggest that the Strategy should cover the future provision of broadband and mobile at a minimum. Consumers, citizens and micro-businesses are increasingly reliant on mobile devices. Excellent network coverage and call quality combined with the provision of better information will help people make better choices – and make greater use of the functions and applications that they want, which in turn we believe will drive up service levels and ensure that a thriving competitive market benefits all stakeholders.

Finally, while we recognise that this Strategy will focus on infrastructure needs, it is also vital that it is works within the wider context of demand side issues – a great deal is dependent on the demand-side, for example the level of trust that consumers have in services and technology.

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